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Sunday, 10 December 2023

## **Dubai Climate Change Conference:** Saturday, 9 December 2023

As is often the case at this stage of the climate negotiations, both process and progress were hard to pin down, with discussions advancing in various formats, some open and others away from the public eye. An informal plenary in the evening brought clarity on the magnitude of the work ahead.

## Informal Plenary

President Sultan Al Jaber encouraged parties to show flexibility to deliver on a balanced and ambitious package.

Adnan Amin, COP 28 CEO, said parties agreed on the guidance to the Green Climate Fund and the provision of support for developing country reporting under Paris Agreement Article 13. He said consultations continue on Paris Agreement Article 6 and remaining finance issues. Given no agreement was reached on the mitigation work programme, he said the Co-Facilitators would hand over to the Presidency and ministerial co-facilitating pair for mitigation. On the Global Goal on Adaptation (GGA), he said the Subsidiary Body Chairs are preparing a draft text under the guidance of the Presidency. Consultations on decision making, and the date and venue of the 29th session of the Conference of the Parties (COP 29), among others, were held and Amin said the Presidency would consider the way forward.

On the Global Stocktake (GST), Dan Jørgensen, Minister for Development and Global Climate Policy (Denmark), noted a common desire for a balanced decision covering mitigation, adaptation, and means of implementation, grounded in the best available science. He noted remaining disagreements on historic, current, and future emissions in light of equity and best available science; referencing the principles of common but differentiated responsibilities and respective capabilities (CBDR-RC) and equity; unilateral trade measures; and the way forward.

On mitigation, Espen Barth Eide, Minister of Foreign Affairs (Norway), noted that many countries signed up for tripling renewables and doubling energy efficiency, among others. He said disagreement remains on language regarding fossil fuels. Another divergence he cited is CBDR-RC and equitable transition, with some calling for transition for all with more support, and some for dividing the carbon budget.

On adaptation, Jenny McAllister, Assistant Minister for Climate Change and Energy (Australia), and Maisa Rojas, Minister of the Environment (Chile), said they conducted consultations with groups in parallel to continued technical discussions on the GGA. Two areas of divergence cited were means of implementation

and references to the principles of the Paris Agreement and the Convention.

On finance, Yasmine Fouad, Minister of the Environment (Egypt), and Steven Guilbeault, Minister of Environment and Climate Change (Canada), reported they held bilateral meetings with groups to hear views on various finance items.

President Al Jaber stated that the Majlis will convene on Sunday, 10 December, at 3:00 pm to focus on balance across the package of decisions, including equity, mitigation, adaptation, and support. Upon conclusion of the Majlis, he will provide further guidance on the way forward to bring the conference to a successful conclusion. He noted the aim to enable the Presidency to deliver a package by Monday, 11 December.

## Resumed High-level Segment

President Taneti Maamau, KIRIBATI, urged phasing out fossil fuels, peaking emissions by 2025, and avoiding overshoot. He called for ensuring a healthy, sustainable, and prosperous future for youth.

Phatcharavat Wongsuwan, Minister of Natural Resources and Environment, THAILAND, noted the aim to cover all economic sectors in Thailand's next nationally determined contribution (NDC). He highlighted progress on enhanced enabling environments and climate-smart agriculture to reduce greenhouse gas emissions and improve food security.

Teresa Ribera, Minister of the Ecological Transition and Demographic Challenge, Spain, for the EU, emphasized the need to phase out the production and consumption of fossil fuels and ensure renewable energy access for all, including by reducing the cost of capital and fostering skills development. Wopke Hoekstra, European Commissioner for Climate Action, also on behalf of the EU, underscored that COP 28 should mark the beginning of the end of fossil fuels.

Elba Rosa Pérez Montoya, Minister of Science, Technology, and Environment, Cuba, for the G-77/CHINA, urged the sustained capitalization of the loss and damage fund commensurate with needs. She called for: developed countries to step up their mitigation efforts; language on means of implementation in the GGA framework; and centering climate action in sustainable development and poverty eradication efforts.

Toeolesulusulu Cedric Schuster, Minister of Natural Resources and Environment, Samoa, for the ALLIANCE OF SMALL ISLAND STATES, highlighted the need to deliver an effective outcome of the first GST and a robust framework for the GGA that is responsive to countries' needs. He called for the phase out of fossil fuels.

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Josué Alejandro Lorca Vega, Minister of People's Power for Ecosocialism, VENEZUELA, welcomed the progress on the loss and damage fund, but emphasized that access to the fund must be expeditious to enable countries to respond quickly to climate impacts. He called for developed countries to give grants, not loans.

Ruslan Strilets, Minister of Environmental Protection and Natural Resources, UKRAINE, called for support in implementing the Paris Agreement and rebuilding the country after the Russian invasion, and emphasized the importance of the new collective quantified goal on climate finance.

Robert Daniel Bouvier Torterolo, Minister of Environment, URUGUAY, called on donor countries to give more to the Adaptation Fund and stressed the need to recognize the principle of common but differentiated responsibilities and respective capabilities.

Franz Tattenbach Capra, Minister of Environment and Energy, COSTA RICA, underscored that the window to reduce emissions and keep in line with the 1.5°C target through a just transition is rapidly closing and called for predictable concessional finance.

Han Wha-jin, Minister of Environment, REPUBLIC OF KOREA, underscored the need to finalize the GGA framework and called for accelerated action on all dimensions of climate action to course correct by 2030.

James Cadet, Minister of the Environment, HAITI, underscored that for least developed countries (LDCs), the idea of a course correction to keep in line with 1.5°C is not a catchphrase but a looming existential threat. He urged not only finance but also technology transfer and training.

Faleh bin Nasser bin Ahmed bin Ali Al Thani, Minister of Environment and Climate Change, QATAR, expressed hope that this COP would be a turning point and called for concrete action to mitigate climate change.

Bounkham Vorachit, Minister of Natural Resources and Environment, LAOS, called for enhanced cooperation and collaboration to achieve a low-carbon economy, and urged doubling adaptation finance.

Ralph Regenvanu, Minister of Climate Change, Energy, Environment, Meteorology, Geohazards and Disaster Management, VANUATU, underscored that the COP's success relies on agreement to phase out of fossil fuels, end fossil fuel subsidies, and shift toward renewable energy.

Cozier Frederick, Minister of Environment, Rural Modernisation, Kalinago Upliftment and Constituency Empowerment, DOMINICA, called for reforming the global financial system to make climate accessible to the most vulnerable.

Simon Watts, Minister of Climate Change, NEW ZEALAND, discussed his country's plan to decarbonize its economy by increasing renewable energy.

Kavydass Ramano, Minister of Environment, Solid Waste Management and Climate Change, MAURITIUS, called for a robust and ambitious GST and GGA. He underscored making climate finance accessible for small island developing states and reiterated the principle of CBDR-RC in implementing the Paris Agreement.

Eang Sophalleth, Minister of Environment, CAMBODIA, highlighted domestic efforts including cancellation of coal power plant projects. He called for acceleration of adaptation actions and delivery on the USD 100 billion per year commitment.

Andrew Yatilman, Minister of Environment, Climate Change, and Emergency Management, FEDERATED STATES OF

MICRONESIA, urged large emitters to make reasonable sacrifices so that islanders do not have to make the ultimate sacrifice. He called for an end to excessive consumption, massive cuts of "super pollutants" like methane, and a complete phase out of fossil fuels.

Orlando Habet, Minister of Sustainable Development, Climate Change, and Disaster Risk Management, BELIZE, called for more concessional finance and said it is "time to stop posturing, as it is time for transformative action and climate justice."

Maria Antonia Yulo-Loyzaga, Secretary of the Department of Environment and Natural Resources, the PHILIPPINES, made the offer for the Philippines to host the board of the loss and damage fund. She urged parties to take bold and decisive action rooted in equity.

John M. Silk, Minister of Natural Resources and Commerce, the MARSHALL ISLANDS, underscored the magnitude of loss and damage and stated that the people of the Marshall Islands "will not go silently to watery graves."

Collins Nzovu, Minister of Green Economy and Environment, Zambia, for the AFRICAN GROUP, emphasized as priorities: a comprehensive GST, a robust framework with indicators under the GGA, and a restoration of confidence in the multilateral process.

Mamadou Samake, Minister of Environment, Sanitation and Sustainable Development, MALI, demanded climate justice and pointed to the recent adoption of the Bamako Declaration on Climate Security as a significant step towards the region's unified response to tackle climate change.

Matthew Samuda, Minister without Portfolio in the Ministry of Economic Growth and Job Creation with Portfolio Responsibilities for Water, Environment, Climate Change, and the Blue and Green Economies, JAMAICA, called for the phase-out of fossil fuels and emphasized shifting to renewable energy and green transport. He urged contributions to the Adaptation Fund.

Simon Kilepa, Minister of Environment, Conservation and Climate Change, PAPUA NEW GUINEA, called on developed countries to reduce their emissions and fulfill their finance commitments, and pointed to domestic work on carbon markets.

Albina Ruiz, Minister of Environment, PERU, stressed the need to reach an ambitious and science-based decision on the GST and proposed establishing a climate fund for Indigenous women.

Safiatou Diallo, Minister of Environment and Sustainable Development, GUINEA, stressed accessibility to the loss and damage fund, and pointed to domestic action related to hydropower and forest conservation.

Statements continued in the afternoon.

#### Mitigation

## Mitigation Ambition and Implementation Work

**Programme:** Kay Harrison (New Zealand) and Carlos Fuller (Belize) co-facilitated Presidency consultations and welcomed views on the new iteration of text.

Three developing country groups rejected the text as a basis for negotiations. They called for deleting paragraphs on the work programme following up on the mitigation aspects of the GST and the Glasgow Climate Pact, saying this is beyond the work programme's mandate. They also called for deleting paragraphs on the best available science and the IPCC's findings.

Two developing country groups, with several developed countries, expressed serious concerns about the text, saying it did not reflect the work programme's mandate to raise mitigation ambition. They stressed the need to reflect the urgent need for mitigation action in line with the best available science. They further said the work programme could improve over time

and should follow up on mitigation decisions, particularly by complementing the GST's findings.

Views on how to reflect the annual report on the global dialogues continued to diverge sharply. Some refused to accept a paragraph without a list of its substantive findings, noting that some findings were reported at the high-level ministerial on pre-2030 ambition. Others wanted to specify that the report does not reflect all views and was not party-driven. They also wanted to specify that the topic, accelerating a just energy transition, was selected by the work programme's Co-Chairs and that a new topic should be chosen for 2024.

The Co-Facilitators said they would relay the comments to the Presidency.

Work Programme on Just Transition Pathways: In Presidency consultations, co-facilitated by Marianne Karlsen (Norway) and Simon Cardy (South Africa), parties discussed a revised draft decision text prepared by the Co-Facilitators. After groups met in huddles, parties welcomed the text as the basis for negotiations and outlined their remaining key concerns.

Several developing country groups underscored retaining "pathways" in the plural form and references to means of implementation. One developing country group stressed the importance of addressing unilateral measures, and proposed, as a way forward, to have a reference to Article 3.5 of the Convention (on the promotion of supportive and open international economic system) in the preamble of the decision. Several developing country groups emphasized the overall framing related to sustainable development and poverty eradication. Two developed countries requested references to ambition and the 1.5°C target, with one also emphasizing references to labor rights.

The Co-Facilitators identified the scope of the work programme and preamble of the decision as key areas of future work on the text. Delegates then proceeded to work in a closed drafting group to revise the draft decision.

Matters Relating to the Clean Development Mechanism (CDM): During informal consultations, Co-Facilitators Kazuhisa Koakutsu (Japan) and Alick Muvundika (Zambia) introduced new draft text and invited parties' comments. Most parties were happy with the majority of the text, only suggesting changes aimed at enhanced clarity. The two main sticking points related to: the timelines for the CDM's functioning beyond the end of the Kyoto Protocol second commitment period; and the management of the financial resources in the CDM Trust Fund.

Regarding timelines, some parties preferred assigning early deadlines to stop CDM-related processes, such as requesting issuance of certified emission reductions and approving new methodologies. On decoupling the CDM registry and the international transaction log, parties also disagreed on the deadline, with several developing countries opposing the proposed date of 31 December 2024. Several developed countries said the review of second commitment period commitments will likely be completed by mid-2024 and a date later than 31 December 2024 is not required.

On the management of financial resources, the main issue was how to reallocate some of the resources held in the CDM Trust Fund. Several developing country groups supported the current text which authorizes the transfer of USD 45 million to the Adaptation Fund. Some developed countries proposed that funds should also be transferred to Article 6, specifying that USD 8.8 million has been identified as the shortfall needed to support development of the Article 6 architecture and proposed transferring this amount. One developing country group opposed any transfer to Article 6 and called for all residual resources to

be transferred to the Adaptation Fund. She said if resources are considered for transfer anywhere else, the Article 6.8 non-market approaches (NMA) and the Katowice Committee on Impacts (KCI) must be included as options to receive transfers.

Rules, Modalities, and Procedures for Paris Agreement Article 6.4 (mechanism): During the informal consultations, Co-Facilitators Kate Hancock (Australia) and Sonam Tashi (Bhutan) introduced new draft text with two bracketed options: option 1 containing the previously discussed text, still bracketed; and option 2 containing, *inter alia*, a moratorium on the functioning of markets and development of a new market mechanism for climate change. Discussions focused on text contained in option 1.

Parties considered the text paragraph-by-paragraph, stating their preferred options or making suggestions for changes. Parties considered issues related to the timing and content of authorization, as well as the transfer of Article 6.4 emission reductions to the international registry, whether before or after authorization. On environmental safeguards, one developing party group noted this should apply to all projects and not, as currently in the text, afforestation and reforestation projects only. Several developing country groups also urged ensuring that the special treatment of LDCs is maintained, noting some ambiguity in the current text.

Several parties also proposed deleting the paragraph requesting the Supervisory Body to develop a comprehensive work programme relating to the requirements for activities involving removals under the mechanism. Informal consultations continued in the afternoon.

Framework for Non-market Approaches referred to in Paris Agreement Article 6.8: During the informal consultations, Co-Facilitators Kristin Qui (Samoa) and Jacqui Ruesga (New Zealand) introduced revised draft decision text. One developing country group, supported by several others, opposed reference to carbon pricing as an example of an NMA. They also opposed the reference in another paragraph to nature-based solutions, questioning the reason for singling out specific approaches. Some developed countries clarified that carbon pricing is not automatically a market mechanism, explaining that these domestic fiscal measures do not create tradable credits. They proposed replacing "carbon pricing" with "carbon taxes," which was still found unacceptable by the opposing developing countries and groups.

Parties also considered which individuals or entities can identify, develop, and implement NMAs, with views remaining divided on the inclusion of Indigenous Peoples, international organizations, UN agencies, and multilateral development banks (MDBs).

Regarding additional measures to facilitate NMAs, enhance linkages, and create synergies, several developed countries opposed establishment of a readiness programme, pointing to the compromise reached in Glasgow to refer to Article 6 capacity building, rather than specific Article 6.8 capacity building. On paragraphs referencing sustainable and predictable finance, developed countries pointed to ongoing consultations under other agenda items and said this is not an appropriate issue for discussion under this agenda item.

Annual High-level Ministerial Roundtable on pre-2030 Ambition: Co-Moderators Espen Barth Eide, Minister of Foreign Affairs (Norway), and Grace Fu, Minister of Sustainability and the Environment (Singapore), opened the session, drawing attention to the focus of the Sharm el-Sheikh mitigation ambition and implementation work programme: accelerating the just energy transition.

President Al Jaber called for negotiations to deliver, highlighting recent announcements, such as commitments by heavy emitting sectors to achieve net zero.

UNFCCC Executive Secretary Simon Stiell stressed the need to outline what pre-2030 ambition looks like in practice and to aim higher through detailed, economy-wide NDCs submitted in early 2025.

Amr Osama Abdel-Aziz (Egypt) and Lola Vallejo (France), Co-Chairs of the work programme, outlined the findings in its annual report (FCCC/SB/2023/8). High upfront costs were a common barrier cited for solutions such as energy efficiency, grid and energy storage, and transportation infrastructure.

Farhan Akhtar (US) and Harald Winkler (South Africa), Co-Facilitators of the GST technical dialogue, highlighted the synthesis report's (FCCC/SB/2023/9) mitigation-related findings, including:

- more ambition in action and support is needed;
- just transitions can support more robust and equitable outcomes; and
- economic diversification is a key strategy.

Ministers discussed how to frame the mitigation outcome to raise individual and collective action, in line with the Paris Agreement's bottom-up structure. Speakers called for actions including:

- phasingout fossil fuels;
- ending investment in fossil fuel production and infrastructure;
- peaking emissions before 2025, with some noting the need to consider equity;
- adopting global targets, including tripling renewable energy capacity and doubling the rate of energy efficiency improvement;
- reforming MDBs;
- · mobilizing private finance; and
- living up to historic responsibilities through developed countries' leadership on emissions reduction and provision of finance and technology.

#### **Transparency**

Provision of Financial and Technical Support for Developing Country Reporting under Paris Agreement Article 13: In informal consultations co-facilitated by Sandra Motshwanedi (South Africa) and Julia Gardiner (Australia), parties reported agreement after lengthy informal informals. Agreed changes related to: deleting reference to disbursement requests under the capacity-building initiative for transparency; deleting reference to modalities of support to developing countries; and using "challenges" instead of "associated costs" in relation to submissions of parties' experience in implementing Paris Agreement Article 13.

Expressing disappointment with the agreed text, one developing country group lamented that parties lost sight of their mandate and the purpose of the enhanced transparency framework, pointing out that developing countries would not be able to progress without sufficient information and financial resources.

The Co-Facilitators will forward the draft text to the Presidency.

#### **Finance**

New Collective Quantified Goal on Climate Finance: During a morning informal consultation, Co-Facilitators Gabriela Blatter (Switzerland) and Amena Yauvoli (Fiji) invited comments on a revised draft, noting it would be passed to the ministerial level soon.

On the modalities for the ad hoc work programme, a coalition proposed convening "at least" three meetings and allowing flexibility if more are needed. Some speakers preferred to maintain the technical expert dialogue (TED) format, while others said the work programme should include TEDs as one component. One group suggested appointing a high-level bureau with regional representation to provide leadership, instead of the Co-Chairs. Parties also debated the timing for preparing draft decision options and what topics to address in 2024.

On text related to the substantive agenda for the work programme, a developing country group cautioned against preempting the discussions in 2024.

Discussions continued in informal informals.

### Response Measures

Report of the Forum on the Impact of the Implementation of Response Measures under the Convention, Kyoto Protocol, and Paris Agreement: Co-facilitated by Andrei Marcu (Honduras) and Georg Børsting (Norway), informal consultations completed a read-through of the draft text forwarded by the SBs to identify areas of disagreement and convergence. On the preamble, parties disagreed on referencing Article 3.5 of the Convention (on the promotion of a supportive and open international economic system without discrimination, including unilateral measures). Parties also discussed the functions, modalities, and work programme of the forum on the impact of the implementation of response measures and its KCI.

On functions, parties disagreed regarding whether KCI's regional engagement is enough or additional regional dialogues should be established.

On the work programme, parties expressed general support for keeping existing areas of work, but disagreed on work related to the co-benefits of climate policies and on capacity building related to the assessment and minimization of the negative impacts associated with unilateral measures.

Parties generally expressed support for the current modalities, with some disagreement regarding KCI's terms of reference, in particular on increasing the length and frequency of its meetings and expanding its membership.

The Co-Facilitators received the mandate to streamline the text and present it to the Presidency for further instructions on the way forward.

#### In the Corridors

President Al Jaber's deadline to complete technical work by the afternoon passed without much change of pace. Delegates continued to react to new texts and huddled throughout the afternoon and evening, rather than leave sorting out specific texts to ministers. With much of the negotiations happening undercover at this point, observers were holding their breath until the informal stocktaking plenary, which started at 9:00 pm.

Despite a seemingly endless meeting, negotiators focusing on just transition pathways were not able to table new text before the stocktaking. Nonetheless, discussions there seemed to move forward constructively. The same "cannot be said on the mitigation work programme," a long-time delegate shared, "it seems we are at a standstill." Another delegate concurred, adding that this holds up progress on other issues, especially the GST.

Leaving plenary with mixed progress in hand, some welcomed the topic of the first "Majlis:" the balance across the decisions. Finding that political balance among mitigation, adaptation, finance, and equity could unlock the deadlocks on many of the remaining issues.